



General Assembly

Amendment

February Session, 2022

LCO No. 5207



Offered by:

REP. WOOD K., 29th Dist.

REP. PAVALOCK-D'AMATO, 77th Dist.

To: House Bill No. 5389

File No. 300

Cal. No. 230

"AN ACT CONCERNING INSURANCE."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. (*Effective from passage*) Not later than January 1, 2023, the
4 Insurance Department and the Office of Policy and Management, shall,
5 within existing resources, prepare and submit a report, in accordance
6 with the provisions of section 11-4a of the general statutes, to the joint
7 standing committee of the General Assembly having cognizance of
8 matters relating to insurance. Such report shall include an evaluation of
9 the use of a captive insurance company to reduce premium rate
10 increases for policyholders with long-term care insurance policies
11 purchased through the Connecticut Partnership for Long-Term Care,
12 and any other recommendations to reduce premium rate increases in
13 partnership long-term care policies.

14 Sec. 2. Section 13b-127 of the 2022 supplement to the general statutes
15 is repealed and the following is substituted in lieu thereof (*Effective*
16 *January 1, 2023*):

17 For the purposes of this section and sections 13b-127a to 13b-127l,
18 inclusive, as amended by this act:

19 (1) "Peer-to-peer car sharing" means the authorized use of a [shared]
20 vehicle [for a consideration] by a person other than the [shared vehicle]
21 vehicle's owner through a peer-to-peer car sharing [platform] program.

22 (2) ["Peer-to-peer car sharing company" or "company"] "Peer-to-peer
23 car sharing program" means [any person, corporation, limited
24 partnership or other legal entity that is engaged in the business of
25 operating a car sharing platform to enable peer-to-peer car sharing in
26 this state. "Peer-to-peer car sharing company"] a car sharing platform
27 that connects vehicle owners with drivers to enable the sharing of
28 vehicles for financial consideration. "Peer-to-peer car sharing program"
29 does not include any person licensed pursuant to section 14-15.

30 (3) "Car sharing platform" means a physical or electronic place,
31 including, but not limited to, a store, a booth, an Internet web site, a
32 catalog or a dedicated software application that allows a shared vehicle
33 owner to make a shared vehicle available for peer-to-peer car sharing
34 and connect a shared vehicle owner with a shared vehicle driver.

35 (4) "Car sharing agreement" means the terms and conditions
36 applicable to a shared vehicle owner and a shared vehicle driver that
37 govern the use of a shared vehicle through a peer-to-peer sharing
38 program. "Car sharing agreement" does not include any motor vehicle
39 rental contracts.

40 (5) "Shared vehicle" means a vehicle that is available for sharing [on
41 a] through a peer-to-peer car sharing [platform] program. "Shared
42 vehicle" does not include a passenger motor vehicle used for rental
43 purposes by any person licensed pursuant to section 14-15.

44 (6) "Shared vehicle driver" means a person authorized by the shared
45 vehicle owner to drive the shared vehicle under a car sharing
46 agreement. "Shared vehicle driver" does not include a lessee, as that
47 term is used in section 14-15.

48 (7) "Shared vehicle owner" means the registered owner, or a person
49 or entity designated by the registered owner, of a vehicle made available
50 on a peer-to-peer car sharing [platform] program. "Shared vehicle
51 owner" does not include a person licensed or required to be licensed
52 pursuant to section 14-15.

53 (8) "Car sharing delivery period" means the period of time during
54 which a shared vehicle is being delivered to the location of the car
55 sharing start time, if applicable, as documented by the car sharing
56 agreement.

57 (9) "Car sharing period" means the period of time that begins at the
58 start of the car sharing delivery period or, if there is no car sharing
59 delivery period, that begins at the car sharing start time, and ends at the
60 car sharing termination time.

61 (10) "Car sharing start time" means the time when a shared vehicle
62 driver takes possession and control of the shared vehicle at or after the
63 time the reservation of a shared vehicle is scheduled to begin [pursuant
64 to a car sharing agreement] as documented in the records of the peer-to-
65 peer car sharing program.

66 (11) "Car sharing termination time" means the earliest of the
67 following events:

68 (A) The expiration of the agreed upon period of time established for
69 the use of a shared vehicle according to the terms of the car sharing
70 agreement if the shared vehicle is delivered to the location agreed upon
71 in such agreement;

72 (B) When the shared vehicle is returned to a location as alternatively
73 agreed upon by the shared vehicle owner and shared vehicle driver as

74 communicated through a car sharing [platform] program and
75 incorporated into the car sharing agreement; or

76 (C) When the shared vehicle owner or the shared vehicle owner's
77 authorized designee takes possession and control of the shared vehicle.

78 Sec. 3. Section 13b-127a of the 2022 supplement to the general statutes
79 is repealed and the following is substituted in lieu thereof (*Effective*
80 *January 1, 2023*):

81 (a) Except as provided in subsection (b) of this section, a peer-to-peer
82 car sharing [company] program shall assume liability of a shared vehicle
83 owner for bodily injury or property damage to third parties, or
84 uninsured and underinsured motorist or personal injury protection
85 losses, during the car sharing period in an amount stated in the peer-to-
86 peer car sharing agreement, but not less than the minimum amounts
87 required by subsection (a) of section [14-112] 38a-334.

88 (b) The assumption of liability under subsection (a) of this section
89 shall not apply to any shared vehicle owner who: (1) Makes an
90 intentional or fraudulent material misrepresentation or omission to the
91 peer-to-peer car sharing [company or on] program or through the car
92 sharing [platform] program before the car sharing period in which the
93 liability arose; or (2) acts in concert with a shared vehicle driver who
94 fails to return the shared vehicle pursuant to the car sharing agreement.

95 (c) The assumption of liability under subsection (a) of this section
96 shall apply to bodily injury, property damage, uninsured and
97 underinsured motorist or personal injury protection losses by damaged
98 third parties, as prescribed by regulations adopted pursuant to section
99 38a-334.

100 [(c)] (d) A peer-to-peer car sharing [company] program shall ensure
101 that, during each car sharing period, the shared vehicle owner and the
102 shared vehicle driver are insured under an automobile liability
103 insurance policy that: (1) Provides insurance coverage in amounts not
104 less than the minimum amounts [required by subsection (a) of section

105 14-112] set forth in regulations adopted pursuant to section 38a-334; and
106 (2) recognizes that the shared vehicle insured under the policy is made
107 available and used through a car sharing [platform] program, or does
108 not exclude the use of a shared vehicle by a shared vehicle driver.

109 [(d)] (e) The coverage requirements of subsection [(c)] (d) of this
110 section may be satisfied by an automobile liability insurance maintained
111 by the shared vehicle owner, the shared vehicle driver, the peer-to-peer
112 car sharing [company] program or the shared vehicle owner, the shared
113 vehicle driver and the peer-to-peer car sharing [company] program.

114 [(e)] (f) The [automobile liability insurance maintained pursuant to
115 subsection (d) of this section shall assume primary liability for a claim:]
116 insurer, insurers or peer-to-peer car sharing program providing or
117 maintaining coverage under subsection (d) or (e) of this section shall
118 assume primary liability for a claim when:

119 (1) [During each car sharing period;] A dispute exists as to who was
120 in control of the shared motor vehicle at the time of the loss and the peer-
121 to-peer car sharing program does not have available, did not retain or
122 fails to provide the information required by section 13b-127d, as
123 amended by this act; or

124 (2) [When a dispute exists as to who was in control of the shared
125 vehicle at the time of the loss and the peer-to-peer car sharing company
126 does not have available, did not retain or fails to provide the information
127 required by section 13b-127d that relates to the claim; or] A dispute
128 exists as to whether the shared vehicle was returned to the alternatively
129 agreed upon location as agreed to by the shared vehicle owner and the
130 shared vehicle operator.

131 [(3) When a dispute exists as to whether the shared vehicle was
132 returned to the alternatively agreed upon location as communicated
133 through the car sharing platform and incorporated into the car sharing
134 agreement.

135 (f) If a claim occurs during the car sharing period in another state with

136 minimum financial responsibility requirements that are higher than the
137 minimum amounts required by subsection (a) of section 14-112, the
138 automobile liability insurance policy maintained pursuant to subsection
139 (d) of this section shall provide coverage to satisfy the minimum
140 amounts required by the other state, up to the applicable policy limits.]

141 (g) The liability insurance described in subsection (e) of this section
142 that satisfies the insurance requirement of subsection (d) of this section
143 shall be primary during each car sharing period and in the event that a
144 claim occurs in another state with minimum financial responsibility
145 limits higher than those established in subsection (a) of section 14-112,
146 during the car sharing period, the coverage maintained under
147 subsection (e) of this section shall satisfy the difference in minimum
148 coverage amounts, up to the applicable policy limits.

149 [(g)] (h) If an automobile liability insurance policy maintained by a
150 shared vehicle owner or shared vehicle driver has lapsed or does not
151 provide the coverage required pursuant to subsection [(c)] (d) of this
152 section, the [peer-to-peer car sharing company's automobile liability
153 insurance policy shall provide such coverage] insurance maintained by
154 a peer-to-peer car sharing program shall provide the coverage required
155 by subsection (d) of this section, beginning with the first dollar of a
156 claim, and [the insurance company issuing such policy] shall have the
157 duty to defend a claim except under circumstances as set forth in
158 subsection (b) of this section.

159 [(h)] (i) Coverage under an automobile insurance policy maintained
160 by the peer-to-peer car sharing [company] program shall not be
161 contingent on another automobile insurance company first denying a
162 claim, nor shall such other insurance company be required to first deny
163 a claim.

164 [(i)] (j) Nothing in this section shall:

165 (1) Limit the liability of the peer-to-peer car sharing [company]
166 program for any act or omission of the [company] program that results
167 in bodily injury to any person as a result of the use of a shared vehicle

168 through a car sharing [platform] program; or

169 (2) Limit the ability of the peer-to-peer car sharing [company]
170 program to contract for indemnification from the shared vehicle owner
171 or the shared vehicle driver for economic loss sustained by the
172 [company] program resulting from a breach of the terms and conditions
173 of the car sharing agreement.

174 Sec. 4. Section 13b-127b of the 2022 supplement to the general statutes
175 is repealed and the following is substituted in lieu thereof (*Effective*
176 *January 1, 2023*):

177 When a vehicle owner registers as a shared vehicle owner with a
178 peer-to-peer car sharing [company] program but before the shared
179 vehicle is made available on the car sharing [platform] program, the
180 peer-to-peer car sharing [company] program shall notify the shared
181 vehicle owner that, if the shared vehicle has a lien against it, the use of
182 the shared vehicle through a car sharing [platform] program, including
183 use without physical damage coverage, may violate the terms of the
184 contract with the lienholder.

185 Sec. 5. Section 13b-127c of the 2022 supplement to the general statutes
186 is repealed and the following is substituted in lieu thereof (*Effective*
187 *January 1, 2023*):

188 (a) An insurance company that offers automobile liability insurance
189 coverage in this state may offer automobile liability insurance policies
190 to individuals that exclude any or all coverage and the duty to defend
191 or indemnify any claim afforded under a shared vehicle owner's
192 automobile liability insurance policy. Such exclusions may include, but
193 are not limited to: (1) Liability coverage for bodily injury and property
194 damage; (2) personal injury protection coverage; (3) uninsured and
195 underinsured motorist coverage; (4) medical payments coverage; (5)
196 comprehensive physical damage coverage; or (6) collision physical
197 damage coverage.

198 (b) Nothing in this section shall be construed to: (1) Invalidate or limit

199 an exclusion contained in an automobile liability insurance policy,
200 including any insurance policy that excludes coverage for motor
201 vehicles made available for rent, sharing, hire or business use, or (2)
202 invalidate, limit or restrict an insurance [company that offers]
203 company's ability to offer automobile liability insurance coverage to
204 underwrite, cancel or not renew any insurance policy. Nothing in this
205 section shall be construed to invalidate, limit or restrict an insurer's
206 ability to cancel and not renew policies.

207 Sec. 6. Section 13b-127d of the 2022 supplement to the general statutes
208 is repealed and the following is substituted in lieu thereof (*Effective*
209 *January 1, 2023*):

210 A peer-to-peer car sharing [company] program shall collect and
211 verify records pertaining to the use of a shared vehicle, including, but
212 not limited to, the times used, location of the car sharing start time and
213 car sharing termination time, car sharing period fees paid by the shared
214 vehicle driver and revenues received by the shared vehicle owner. The
215 [company] program shall provide such records [: (1) Upon] upon
216 request to the shared vehicle owner, the shared vehicle owner's
217 insurance company or the shared vehicle driver's insurance company to
218 facilitate a claim coverage investigation, settlement, negotiation or
219 litigation, or (2) as required by an agreement entered into pursuant to
220 section 13b-127l. [The company] The program shall retain the records
221 for a time period not less than the applicable personal injury statute of
222 limitations.

223 Sec. 7. Section 13b-127e of the 2022 supplement to the general statutes
224 is repealed and the following is substituted in lieu thereof (*Effective*
225 *January 1, 2023*):

226 A peer-to-peer car sharing [company] program and a shared vehicle
227 owner shall be exempt from vicarious liability [in accordance] consistent
228 with 49 USC 30106, as amended from time to time, and under any state
229 law or municipal ordinance that imposes liability solely based on
230 vehicle ownership.

231 Sec. 8. Section 13b-127f of the 2022 supplement to the general statutes
232 is repealed and the following is substituted in lieu thereof (*Effective*
233 *January 1, 2023*):

234 An insurance company that defends or indemnifies a claim against a
235 shared vehicle that is excluded under the terms of its automobile
236 liability insurance policy shall have a right to seek recovery against the
237 insurance company of the peer-to-peer car sharing [company] program
238 if the claim is: (1) Made against the shared vehicle owner or the shared
239 vehicle driver for loss or injury that occurs during the car sharing
240 period; and (2) excluded under the terms of its policy.

241 Sec. 9. Section 13b-127g of the 2022 supplement to the general statutes
242 is repealed and the following is substituted in lieu thereof (*Effective*
243 *January 1, 2023*):

244 (a) A peer-to-peer car sharing [company] program shall have an
245 insurable interest in a shared vehicle during the car sharing period.
246 Nothing in this subsection shall create liability for a peer-to-peer car
247 sharing [company] program for failure to maintain the insurance
248 coverage required pursuant to section 13b-127a, as amended by this act.

249 (b) A peer-to-peer car sharing [company] program may own and
250 maintain, as the named insured, one or more policies of automobile
251 liability insurance that provides coverage for: (1) Liability assumed by
252 the peer-to-peer car sharing [company] program under a car sharing
253 agreement; (2) any liability of the shared vehicle owner; (3) damage or
254 loss to the shared vehicle; or (4) any liability of the shared vehicle driver.

255 Sec. 10. Section 13b-127h of the 2022 supplement to the general
256 statutes is repealed and the following is substituted in lieu thereof
257 (*Effective January 1, 2023*):

258 Each car sharing agreement shall, at a minimum, disclose to the
259 shared vehicle owner and the shared vehicle driver:

260 (1) Any right of the peer-to-peer car sharing [company] program to

261 seek indemnification from the shared vehicle owner or the shared
262 vehicle driver for economic loss sustained by the [company] program
263 resulting from a breach of the terms and conditions of the car sharing
264 agreement;

265 (2) That an automobile liability insurance policy issued to the shared
266 vehicle owner for the shared vehicle or to the shared vehicle driver does
267 not provide a defense or indemnification for any claim asserted by the
268 peer-to-peer car sharing [company] program;

269 (3) That the peer-to-peer car sharing [company's] program's
270 insurance coverage on the shared vehicle owner and the shared vehicle
271 driver is in effect only during each car sharing period and that, for any
272 use of the shared vehicle by the shared vehicle driver after the car
273 sharing termination time, the shared vehicle driver and the shared
274 vehicle owner may not have insurance coverage;

275 (4) The daily rate, fees and, if applicable, any insurance or protection
276 package costs that are charged to the shared vehicle owner or the shared
277 vehicle driver;

278 (5) That the shared vehicle owner's automobile liability insurance
279 may not provide coverage for a shared vehicle;

280 (6) An emergency telephone number to personnel capable of
281 answering calls for roadside assistance and other customer service
282 inquiries; and

283 (7) If there are conditions under which a shared vehicle driver shall
284 maintain a personal automobile insurance policy with certain applicable
285 coverage limits on a primary basis to book a shared vehicle.

286 Sec. 11. Section 13b-127i of the 2022 supplement to the general
287 statutes is repealed and the following is substituted in lieu thereof
288 (*Effective January 1, 2023*):

289 (a) A peer-to-peer car sharing [company] program may not enter into
290 a car sharing agreement with a shared vehicle driver unless the shared

291 vehicle driver holds an operator's license, as defined in section 14-1, that
292 authorizes the driver to operate a motor vehicle of the same class as the
293 shared vehicle.

294 (b) A peer-to-peer car sharing [company] program shall keep a record
295 of: (1) The name and address of the shared vehicle driver; (2) the number
296 of the operator's license of each shared vehicle driver; and (3) the place
297 of issuance of the operator's license.

298 Sec. 12. Section 13b-127j of the 2022 supplement to the general
299 statutes is repealed and the following is substituted in lieu thereof
300 (*Effective January 1, 2023*):

301 A peer-to-peer car sharing [company] program is responsible for any
302 equipment, such as a global positioning system, that is put in or on the
303 shared vehicle to monitor or facilitate the car sharing transaction. The
304 [company] program shall indemnify and hold harmless the shared
305 vehicle owner for any damage to or theft of such equipment during the
306 car sharing period, unless caused by the vehicle owner. The [company]
307 program has the right to seek indemnification from the shared vehicle
308 driver for any loss or damage to such equipment that occurs during the
309 car sharing period.

310 Sec. 13. Section 13b-127k of the 2022 supplement to the general
311 statutes is repealed and the following is substituted in lieu thereof
312 (*Effective January 1, 2023*):

313 (a) When a shared vehicle owner registers a shared vehicle with a
314 peer-to-peer car sharing [company] program but before the shared
315 vehicle is available on the car sharing [platform] program, the
316 [company] program shall: (1) Verify that the shared vehicle is not subject
317 to a safety recall for which the repairs have not been made; and (2) notify
318 the shared vehicle owner of the requirements under subsection (b) of
319 this section.

320 (b) (1) If a shared vehicle owner received an actual notice of a safety
321 recall for the shared vehicle, the shared vehicle owner shall not make

322 the shared vehicle available on the car sharing [platform] program until
 323 the safety recall repair has been made.

324 (2) If a shared vehicle owner receives an actual notice of a safety recall
 325 for a shared vehicle while the shared vehicle is available on the car
 326 sharing [platform] program, the shared vehicle owner shall remove the
 327 shared vehicle's availability on the [platform] program as soon as
 328 practicable after receiving such notice and until the safety recall repair
 329 has been made.

330 (3) If a shared vehicle owner receives an actual notice of a safety recall
 331 for a shared vehicle during the car sharing period, the shared vehicle
 332 owner shall notify both the shared vehicle driver and the peer-to-peer
 333 car sharing [company] program of the safety recall as soon as
 334 practicable."

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	New section
Sec. 2	<i>January 1, 2023</i>	13b-127
Sec. 3	<i>January 1, 2023</i>	13b-127a
Sec. 4	<i>January 1, 2023</i>	13b-127b
Sec. 5	<i>January 1, 2023</i>	13b-127c
Sec. 6	<i>January 1, 2023</i>	13b-127d
Sec. 7	<i>January 1, 2023</i>	13b-127e
Sec. 8	<i>January 1, 2023</i>	13b-127f
Sec. 9	<i>January 1, 2023</i>	13b-127g
Sec. 10	<i>January 1, 2023</i>	13b-127h
Sec. 11	<i>January 1, 2023</i>	13b-127i
Sec. 12	<i>January 1, 2023</i>	13b-127j
Sec. 13	<i>January 1, 2023</i>	13b-127k